At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, June 1, 2004, the following members were present:

Bob Rowe, Chairman Thomas J. Schneider, Vice Chairman Matt Brainard, Commissioner (via telephone) Greg Jergeson, Commissioner Jay Stovall, Commissioner

APPEARANCE Dave Burchett Utility Division

(199) In the matter of Qwest Communications – Docket No. N2004.5.70; On May 12, 2004, Qwest filed Tariff Transmittal 04-8, Zero Quantity USOC Elimination. The purpose of this filing is to eliminate the USCO, LCS, which is a Centron 300 service optional feature circuit which, according to the tariff, is a circuit between the customer premises and central office switching system without access to the network. No Montana customers subscribe to this service. Qwest is requesting an effective date of June 15, 2004.

Commissioner Jergeson moved to approve the filing to eliminate the USCO, LCS. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE Wayne Budt, Administrator Transportation & Centralized Services Division

(200) In the matter of the approval of Commission Minutes; Commissioner Stovall moved to approve the Commission Minutes for the week of May 24, 2004. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE Kate Whitney, Administrator Utility Division

(201) In the matter of New Access Communications – D2004.5.82; Assurance of Voluntary Compliance/Assurance of Discontinuance;

Commissioner Schneider moved to adopt the settlement agreement by issuing a notice of commission action. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Kim Moran, Utility Division Martin Jacobson, Legal Division

(202) In the matter of the Commission's discussion of Triangle Telephone Cooperative Association, Inc. and Central Montana Communications, Inc. – Docket No. D2002.10.132;

Commissioner Jergeson moved to proceed to Notice the EAS Hearings. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE Mike Lee Utility Division

(203) In the matter of the Commission's discussion of Qwest (QLDC and QCC) – Docket Nos. D2002.12.153 and D2003.10.153; Compliance filings: Tariff Transmittals QLDC04-02 and QCC04-02;

Commissioner Rowe moved to approve tariffs QLDC04-02 and QCC04-02. Commissioner Brainard seconded the motion, which passed 3-2. Commissioners Rowe, Brainard and Stovall voted aye. Commissioners Schneider and Jergeson dissented.

APPEARANCE Robin McHugh, Administrator Legal Division

(204) In the matter of the Commission's discussion of NWE - Basin Creek – D2004.3.45; to act on a PPL motion to compel and extend procedural schedule, filed May 26, 2004;

Commissioner Schneider moved to grant motion to compel and authorize staff to revise the procedural schedule including the hearing date if necessary based on consultation with parties and Commissioners. Commissioner Stovall seconded the motion, which passed unanimously.

(205) In the matter of the Commission's discussion of Great Falls Tribune vs. the PSC and MPC – D2001.10.144:

Commissioner Jergeson moved to direct staff to draft a notice with the draft rule revisions; in order that proposed rule revisions can be filed with Secretary of State no later than July 12, 2004 and that any revisions can be filed and published for adoption no later than October 21, 2004. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE Al Brogan Legal Division

(206) In the matter of the Commission's discussion of NorthWestern Financial Investigation – Docket D2003.8.109;

Commissioner Schneider moved to suspend the procedural schedule in the docket until it is determined that a stipulation implementing the Agreement in Principle is approved by the bankruptcy court. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson Legal Division

(207) In the matter of the Commission's discussion of Liberty Gas Marketing – Docket N2004.4.64;

Commissioner Stovall moved to grant the protective order including the two modifications discussed. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Al Brogan Legal Division

(208) In the matter of the Commission's discussion of MT Associates, LLC ("MTA") – Docket No. D2004.5.74:

Commissioner Schneider moved to issue an interim order subject to adjustment or refund in the event that final rates and charges are authorized at different levels. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE Kate Whitney, Administrator, Utility Division Phil Cooke, Utility Division

(209) In the matter of the Commission's discussion of 911 Advisory Council membership and appoint PSC representative;

Commissioner Jergeson moved to appoint Phil Cooke as PSC representative for the 911 Advisory Council. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator Transportation & Centralized Services Division

(210) In the matter of the Commission's discussion of Darrell a. Hegel dba D.C. Cab – Docket No. TN2221 – Lease of PSC No. 9443;

Commissioner Schneider moved to authorize lease PSC No. 9443 to Flathead Glacier Transportation LLC, Whitefish, Montana for one and one-half months pending completion of sale and transfer proceeding. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE ACT Team

(211) In the matter of the Commission's discussion of Budget/ Personnel;

Commissioner Jergeson moved to adjust Eric Eck's base salary by \$7000 to be the same as Mike Lee's base salary. Commissioner Schneider seconded the motion, which passed unanimously.